

The Insolvency Act 1986

**Administrators' progress report**

Name of Company IPeople Services Limited	Company number 03205506
In the High Court of Justice, Chancery Division Leeds District Registry [full name of court]	Court case number 494 of 2015

(a) Insert full name(s) and address(es) of the administrator(s)

~~I~~ We (a) Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Nicholas Edward Reed of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

administrator(s) of the above company attach a progress report for the period

(b) Insert dates


from

to

(b) 12 June 2015

(b) 11 December 2015

Signed

  
 Joint Administrator

Dated

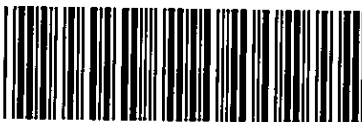
8/1/16

**Contact Details**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Begbies Traynor (Central) LLP	
Fourth Floor, Toronto Square, Toronto Street, Leeds LS1 2HJ	
	Tel Number 0113 244 0044
Fax Number 0113 244 5820	DX Number

When you have completed and signed this form please send it to the Registrar of Companies at  
 Companies House, Crown Way, Cardiff, CF14 3UZ  
 DX 33050 Cardiff



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23/01/2016

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COMPANIES HOUSE

SATURDAY

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

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## **IPeople Services Limited (In Administration)**

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Progress report pursuant to Rule 2.47 of the Insolvency Rules 1986

Period: 12 June 2015 to 11 December 2015

## **Important Notice**

This progress report has been produced to comply with our statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	IPeople Services Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 12 June 2015
"the administrators" "we" "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Nicholas Edward Reed of Begbies Traynor (Central) LLP Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

# 2. COMPANY INFORMATION

Trading name(s)	IPeople Services Limited
Date of Incorporation	30 May 1996
Company registered number	03205506
Company registered office	Toronto Square, Toronto Street, Leeds, LS1 2HJ

# 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of administrators' appointment	12 June 2015
Court	High Court of Justice, Chancery Division, Leeds District Registry
Court Case Number	494 of 2015

Person(s) making appointment / application

Mr R Nealon in his capacity as a Company director

Acts of the administrators

The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.

EC Regulation on Insolvency Proceedings

The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 12 June 2015 to 11 December 2015.

Our comments on items appearing in the account are as follows:

### RECEIPTS

#### **Goodwill**

The sum of £1,000,000 has been received from IPeople Solutions Limited ("the Purchaser") in relation to goodwill.

#### **Book Debts**

The net sum of £77,369 has been received following the sale of the debtor ledger. As part of this sale the Purchaser also satisfied the outstanding debt due to Skipton Business Finance of £294,539.

#### **Office Furniture & Equipment**

The sum of £1,000 has been received from the Purchaser in relation to the furniture and equipment.

Further details of these receipts were provided in the Administrators' Statement of Proposals.

### PAYMENTS

#### **Office Holders' Fees**

The sum of £22,000 has been paid to Begbies Traynor (Central) LLP in relation to Office Holders' Fees.

#### **Reward Capital LLP**

The sum of £995,000 has been paid to Reward Capital LLP under their fixed charge security resulting from the sale of the goodwill.

#### **Specific Bond**

It is a statutory obligation that the duly appointed Insolvency Practitioners take out a bond in order to protect the interests of unsecured creditors in the potential realisations on a case. This is known as the bordereau premium.

and is detailed on the attached receipts and payments account. It is an unavoidable expense of the proceedings and the sum of £20 has been paid in this respect.

#### **Pre-Appointment Fees**

The sum of £13,803.40, inclusive of travel & subsistence expenses, has been paid to Begbies Traynor (Central) LLP in relation to their Pre-Appointment Fees. Further details of these fees have been provided in Section 6 of this report.

#### **Agents/Valuers Fees**

The sum of £250 has been paid to Sanderson Weatherall LLP in relation to their Valuation Fees.

#### **Legal Fees and Disbursements**

Clarion Solicitors have been paid £10,000 in relation to their legal fees incurred in assisting with this matter, together with £150 in respect of their disbursements.

#### **Swear Fees**

The sum of £5 has been paid in relation to Swear Fees.

#### **Statutory advertising**

The sum of £84.60 has been paid to Courts Advertising Limited in relation to the costs associated with our statutory advertising requirements throughout the Administration.

## **5. ESTIMATED OUTCOME FOR CREDITORS**

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

#### **Secured creditors**

You may recall that the Company's book debts were owned by Skipton Business Finance Limited ("Skipton"). These book debts were included within the pre-packaged sale and a net £77,369 was realised from this source following satisfaction of the Skipton debt by the Purchaser.

Reward Capital has received £995,000 under its fixed charge security resulting from the sale of the goodwill. Reward will therefore suffer a shortfall of £2,007,160; however, they hold additional security over other group assets and we believe they are fully secured. We anticipate a further distribution to Reward, as floating charge holder, following the prescribed part distribution to unsecured creditors.

#### **Preferential creditors**

There are no known preferential creditors.

#### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for

this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

Once all costs of realisations have been accounted for we will be in a position to confirm the value of net property and make a distribution to unsecured creditors under the prescribed part

#### **Unsecured creditors**

A distribution will only be available to unsecured creditors under the prescribed part, details of which are outlined above. We will be making this distribution in due course.

#### **Effect of administration on limitation periods under the Limitation Act 1980**

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

## **6. PRE-ADMINISTRATION COSTS**

Details of our pre-appointment work and the costs incurred were detailed in our statement of proposals dated 5 August 2015. You may recall that the sum of £13,803.40 plus VAT was outstanding in relation to these costs.

We sought approval for these unpaid costs to be paid as an expense of the administration. Approval was obtained from the secured creditors on 28 August 2015 and the balance was subsequently paid to Begbies Traynor (Central) LLP.

## **7. REMUNERATION & DISBURSEMENTS**

Our remuneration has been fixed by the secured creditors in accordance with Rule 2.106(5A) of the Rules, by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration. We are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of Proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 12 June 2015 to 11 December 2015 amount to £25,874.00 which represents 131.2 hours at an average rate of £197.21 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred,
- ☐ Table of time spent and charge-out value for the period 12 June 2015 to 11 December 2015,
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements, and
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To date, the sum of £22,000 00 plus VAT has been drawn in relation to our fees and disbursements

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

## 8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

## 9. ASSETS THAT REMAIN TO BE REALISED

There are no assets which remain to be realised

## 10 OTHER RELEVANT INFORMATION

### Report on Directors conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with their duties in this respect

### Investigations completed

As explained in our Statement of Proposals, we have undertaken an initial assessment of the manner in which the business was conducted prior to the administration of the Company and potential recoveries for the estate in this respect

### Connected party transactions

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold to a company with a common director

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
12 June 2015	Business and assets of the Company	£1,078,369 paid to date	IPeople Solutions Limited	Former director of the Company



Further details of the above transaction were outlined in our statement of proposals dated 5 August 2015

#### **Proposed exit route from Administration**

On present information we consider that the Company will have sufficient property to enable a distribution to be made to unsecured creditors under the prescribed part. Following this distribution we should be in a position to close this case. Once we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

## **11. CREDITORS' RIGHTS**

#### **Right to request further information**

Pursuant to Rule 2.48A of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses (other than pre-administration costs) which have been detailed in this progress report.

#### **Right to make an application to court**

Pursuant to Rule 2.109 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## **12. CONCLUSION**

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.



J N Pitts  
Joint Administrator

Dated 8 January 2016

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 12 June 2015 to 11 December 2015

	£	£
<b>SECURED ASSETS</b>		
Goodwill	1,000,000 00	
Book Debts	<u>371,908 00</u>	
		1,371,908 00
<b>COSTS OF REALISATION</b>		
Office Holders Fees	<u>5,000 00</u>	
		(5,000 00)
<b>SECURED CREDITORS</b>		
Skipton Business Finance	294,539 00	
Reward Capital LLP	<u>995,000 00</u>	
		(1,289,539 00)
<b>ASSET REALISATIONS</b>		
Office Furniture & Equipment	<u>1,000 00</u>	
		1,000 00
<b>COST OF REALISATIONS</b>		
Specific Bond	20 00	
Pre Appointment Fees	13,191 00	
Office Holders Fees	17,000 00	
Agents/Valuers Fees	250 00	
Legal Fees	10,000 00	
Legal Disbursements	150 00	
Travel & Subsistence	612 40	
Swear Fees	5 00	
Statutory Advertising	<u>84 60</u>	
		(41,313 00)
		<u><u>37,056 00</u></u>
<b>REPRESENTED BY</b>		
Bank Account		37,056 00
		<u><u>37,056 00</u></u>

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 12 June 2015 to 11 December 2015

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1

*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements

***Services provided by other entities within the Begbies Traynor group***

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval)

Instruction of Eddisons Commercial Limited to provide valuation advice in relation to the Company's plant and machinery and to provide assistance in the disposal of part of the Company's business. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates set out above

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

**Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction**

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

**BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

## SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

### **What work has been done in the period of the report**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain the costs of the work undertaken since our appointment.

### General case administration and planning

It is necessary for the duly appointed administrators and their staff to carry out regular reviews of the case and how the case has been administered. This includes full case compliance reviews, six monthly reviews, reviews of the assets realised in the case and still to be realised and the costs and expenses being incurred. This is to ensure that the case is cost effective and is being administered both properly and efficiently. It is our duty to maintain records to demonstrate how the case has been administered and to document our reasoning for any decisions made that may materially affect the case.

### Compliance with the Insolvency Act, Rules and best practice

We have a duty to comply with the Insolvency Act, Rules and best practice. Throughout the period of this report we have ensured that the case funds have been appropriately invested and any monies received placed into the correct accounts ensuring the best interests of creditors and members are protected. In order to comply with our statutory duties time has been spent preparing and sending to creditors and members our progress report.

### Investigations

Prior to their appointment, the Joint Administrators undertook detailed investigations into matters connected with the Company's affairs leading up to the date of the Administration. During the period of the report we have corresponded with creditors on any concerns raised in respect of the company, reviewed matters that required attention to ensure that the affairs of the company have been reviewed and investigated. Investigations were also undertaken into the conduct of the Company's directors and the Administrators had a duty to file a report with the Insolvency Service in this regard.

We have continued to carry out our duties in respect of the Statement of Insolvency Practice 2 duties and investigations that we are required to carry out as best practice.

### Realisation of assets

Details of the work carried out in relation to asset realisation has been outlined in the Administrators' Proposals. The Administrators have now concluded their work in this regard and can confirm there are no assets that remain to be realised. Further details of all asset realisations can be found in Section 4 of this report.

Other matters which includes meetings, tax, litigation, pensions and travel

The Company's unsecured creditors are made up solely of debts to HMRC. The debt to HMRC is circa £1.05m. We have liaised with HMRC throughout the Administration and provided updates where possible as to the potential recovery of their debt.

**Time Costs Analysis**

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

**Expenses**

Details of all of the expenses incurred in the period of this report and also since the date of our appointment are attached at appendix 3.

**What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

With reference to the main body of our report, we are now in a position to make a payment to unsecured creditors under the prescribed part. We will also be making a nominal distribution to Reward in respect of their floating charge. Following these distributions, we will be in a position to proceed to closure of this case.

Once we are satisfied that we have fully discharged our duties as Administrators and that the purpose of the Administration has been fully achieved, we will issue our Final Report to Creditors and will propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

In these circumstances, we anticipate that future costs will not exceed £10,000.



# SIP9 IPeople Services Limited - Administration - 80IP010.ADM : Time Costs Analysis From 12/06/2015 To 11/12/2015

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	0.5				1.5		10.5			12.5	1,922.50	153.80
				12.8			6.6	3.4	2.4	25.2	4,921.00	195.28
	0.5			12.8	1.5		17.1	3.4	2.4	37.7	6,843.50	181.53
	0.5			8.8			1.8	12.6		23.7	4,158.50	175.46
	0.2						0.8			0.8	160.00	200.00
Compliance with the Insolvency Act, Rules and best practice												0.00
	3.0	1.1		25.6			17.3	1.3		48.3	10,827.00	224.16
	3.7	1.1		34.4			19.7	13.9		72.8	15,145.50	208.04
	0.5			2.5			8.6	2.4		14.0	2,285.00	163.21
Investigations	0.5			2.5			8.6	2.4		14.0	2,285.00	163.21
												0.00
Realisation of assets												
				3.4						3.4	901.00	265.00
												0.00
				3.4						3.4	901.00	265.00
Trading												0.00
Dealing with all creditors claims (including employees) and distributions				0.8						0.8	212.00	265.00
												0.00
												0.00
												0.00
				0.8						0.8	212.00	265.00
Other matters which includes meetings, tax, litigation, pensions and travel												0.00
Total	0.2			1.0				1.3		2.5	487.00	194.80
												0.00
	0.2			1.0				1.3		2.5	487.00	194.80
	4.9	1.1		54.9	1.5		45.4	21.0	2.4	131.2		
Total time cost by staff grade	1,935.50	379.50		14,548.50	307.50		6,129.00	2,310.00	284.00		25,874.00	
	395.00	345.00	0.00	285.00	205.00	0.00	135.00	110.00	110.00		22,000.00	
Average hourly rate £												
Total fees drawn to date £												

## STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Agents/Valuers Fees	Sanderson Weatherall	250 00	250 00	NIL
Legal Fees	Clanon Solicitors	10,000 00	10,000 00	NIL
Legal Disbursements	Clanon Solicitors	150 00	150 00	NIL
Statutory advertising	Courts Advertising Limited	84 60	84 60	NIL
Bordereau	Marsh Limited	20 00	20 00	NIL
Swear Fees	Begbies Traynor (Central) LLP	5 00	5 00	NIL